

CRIME INSURANCE & FINANCIAL INSTITUTION BONDS



The loss of money, securities, and other assets resulting from acts like employee theft, theft on premises or in-transit, forgery, fraudulent transfer of funds, and computer systems fraud is ever prevalent.

AIG's Crime Insurance and Financial Institution Bonds provide tailored coverage for risks like these for commercial and governmental entities, financial institutions, and financial services firms. Backed by our expert underwriting and claims teams with years of experience in this space, our teams will work to resolve a claim efficiently if a loss does occur.

KEY ADVANTAGES

- Team of dedicated Crime and Financial Institution Bond professionals who have an average of over 10 years of experience. Their level of expertise benefits policyholders by resolving matters efficiently and identifying new loss developments and trends.
- Cohesion between claims and underwriting teams facilitates emerging loss trends being addressed through coverage enhancements or loss mitigation tools.



Impersonation Fraud Coverage

Recent trends show criminals taking increasingly creative measures to impersonate executives and other trusted business partners in an effort to induce transfers of the organization's funds to their personal accounts.

AIG's Impersonation Fraud policy provides coverage on a sub-limited basis for risks such as:

- Impostors posing as senior executives requesting an urgent payment from the insured to a foreign bank account
- Impostors posing as employees of the insured's vendor requesting a change in the vendor's bank account details for future payments.

For more information, email us at
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Claims Scenarios

Crime

An assistant manager for a retailer was involved in a theft scheme with approximately 30 customers. Goods were purchased for export, but were never exported and were ultimately sold on the black market. The assistant manager received kickbacks for his involvement. The insured made a claim for sales taxes that were never paid. The loss claimed was approximately \$34 million.

Financial Institution Bond

An advisor at an investment management firm transferred funds from five client accounts at the insured company to his wholly owned company. He forged signatures on wire authorization letters used to make the withdrawals, used a "cut-and paste" technique (copying genuine signatures and affixing them to faxed wire authorization letters), and embezzled the funds by means of such withdrawals. The loss claimed was \$750,000.

Impersonation Fraud

An individual impersonating an executive of ABC Corp. emailed an employee in the treasury department on various occasions directing him to process several wire transfers totaling \$6 million to an overseas bank and to charge it to administration expenses. The false executive promised to provide back-up documentation of the expenses at a later date. The email used by the imposter was virtually identical to the executive's true email address, such that the employee did not notice the difference. The employee processed the wire transfer request and only uncovered the scam when he contacted the true executive inquiring about the back-up documentation that was never received.

The scenarios described herein are offered only as examples. Coverage depends on the actual facts of each case and the terms, conditions and exclusions of each individual policy. Anyone interested in the above product(s) should request a copy of the policy itself for a description of the scope and limitations of coverage.

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